



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

M/045/005
* M/045/021

FACSIMILE COVER SHEET

DATE: SEPT 10, 2002

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 3

TO: MIKE MALMQUIST
PARSONS, BEHLE & LATIMER

FAX NUMBER: 536-6111

FROM: WAYNE HEDBERG

Minerals Reclamation and Development Program

PHONE: (801) 538-5291

FAX: (801) 359-3940

SUBJECT: SURETY APPROVAL LETTER

REMARKS: PER YOUR REQUEST, I AM FAXING
THE COVER LETTER TO YOU FOR
YOUR REQUEST FOR AGENCY ACTION
FILING. ORIGINAL & OLDER SURETIES
LETTER
TO BE MAILED TO GREG UNLESS YOU
ADVISE OTHERWISE.

Should you encounter any problems with this copy, or do not receive all the pages, please call

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TRANSACTION REPORT

P. 01

SEP-10-2002 TUE 01:04 PM

FOR: OIL, GAS & MINING

801 359 3940

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Michael O. Leavitt
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ENCLOSED: 2 INT. LETTERS
& APPROVAL LETTER
COPIES OF APPROVED/SIGNED
REPLACEMENT PACKAGES
Surety

9-9-02

Mike,

NORMALLY WE WOULD
ATTACH A STD. COVER
LETTER TRANSMITTING
THESE DOCUMENTS, BUT
MY SECRETARY IS OUT TIL
TOMORROW. I KNOW YOU
WANTED SAME RIGHT
AWAY, SO THE COVER
LETTER WILL BE A
LITTLE LATE. ANY
QUESTIONS, CALL ME.

TX. Wayne

P.S. - THE
"BLUE LINE" MAPS WEREN'T COPIED &
ENCLOSED.

In April, 2001, the Division informed I reportedly been inactive for a ten-year period, and that if they wanted to extend their period of suspension the Board for an extension request. In July, 2001, the D Mountain Quarry Antone files. We were informed that Connecticut to Indianapolis and with a change in person

The new management requested a meeting on Dec 13, 2001, and also requested that we extend their period of suspension for another five-years because they hoped to reactivate their permits. The Division subsequently escalated the existing bonds to bring them to current year dollars and escalated them five years into the future. In reviewing the updated information to perform the escalation, it was discovered that the Little Mountain Quarry had exceeded the approved acreage. Therefore, the operator supplied the Division with an amendment for that mine site to include the increased acreage. The Division finalized the review of the amendment and tentative approval was issued on August 13, 2002, contingent upon receipt of the updated sureties.

In June 2001, we received information that the existing surety bonds for the two sites, issued by National Union Fire Company, were going to expire on September 13, 2002. On August 21, 2002, the operator provided replacement Reclamation Contracts and a \$69,800 revised surety bond #20020906 for the Little Mountain Quarry and a \$49,900 escalated surety bond #20020906 for Quarry Antone, issued by Safeco Insurance Company of America. Safeco is listed on the federal register of acceptable bonding companies and has an "A" rating.

If you are in agreement with the acceptance of the replacement and updated reclamation sureties please sign and date the documents. We will then issue final Division approval for the Little Mountain Quarry amendment, and the escalated surety for Quarry Antone. Thank you for your consideration of this request.

jb

Enclosure: 2-MR-RC's & 2 sureties

O:\M045-Troole\M0450005-Little Mountain Quarry\Draft\Dir-sign-mem.doc

Utah!

Where ideas connect

Agree
LPB 9/6/02